

Committee on Government Reform

Subcommittee on National Security, Emerging Threats and International Relations

"Weapons of Mass Destruction: Current Nuclear Proliferation Challenges"

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I am pleased to have an opportunity to come before this committee to discuss the Nuclear Non-Proliferation Treaty (NPT) and the appropriate steps needed to strengthen the NPT regime. I appreciate the thoughtful set of questions posed in your letter of invitation to testify. We ask ourselves these same questions. My presentation is, in large part, tailored to respond to your questions.

It is clear that the nuclear nonproliferation regime and the NPT face serious challenges today. These challenges are more complex and serious than those that the regime has faced in the past. The regime is now at a crossroads. One road leads to a crisis stemming from the noncompliance of States Parties; the other leads to strengthening the treaty regime to keep it strong for the 21st century. We can strengthen implementation of the NPT in many ways but the first order of business must be to ensure that those states not in compliance today come back into compliance and that no new states develop the capability to produce nuclear weapons and no terrorist entity has access to sensitive nuclear materials.

The Nuclear Non-Proliferation Treaty is intended to stop the spread of nuclear weapons and material related to the production of such weapons. That we can be here today, thirty-six years after the Treaty entered into force, and not count twenty or more nuclear weapon states – as some predicted in the 1960s -- is a sign of the Treaty's success. NPT parties can be justly proud of the NPT's contribution to global security.

In some cases, the existence of the NPT has been valuable in restraining the pursuit of nuclear weapons. Some states gave up their programs for developing nuclear weapons, while others, such as South Africa dismantled their existing stockpile and program and joined the NPT. Libya's recent termination of its clandestine program is another success of the non-proliferation regime.

I would now like to address some of the key concerns that other states have raised regarding the NPT. Foremost among these is the erroneous claim that the nuclear weapons states, and particularly the U.S., are not doing enough to fulfill the exhortation in Article VI of the NPT to "pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a Treaty on general and complete disarmament under strict and effective international control."

Some non nuclear-weapon States argue that, since NWS have not totally eliminated their nuclear weapon stockpiles the NPT is failing and/or that they – the non-nuclear-weapon states – should not be required to strictly comply with their NPT Article II obligations to not pursue nuclear weapons capabilities.. They take this view despite the demonstrable accomplishments in reducing nuclear arsenals by the United States, Russia, the UK, and France.

Among the U.S. accomplishments are the following.

On June 30 of this year the last W-56 warhead was dismantled

On September 19, 2005 the final MX "Peacekeeper" missile was retired.

Over 3000 non-strategic nuclear weapons have been dismantled.

The United States has dismantled more than 13,000 nuclear weapons since 1988.

The United States is now in the process of drawing down its operationally deployed strategic nuclear warheads to the level of 1700-2200, about one-third of the 2002 level.

Upon completion of the Moscow Treaty reductions in 2012, we will have reduced about 80 percent of the strategic nuclear warheads we deployed in 1991.

While ignoring such accomplishments, critics tend to give China, the one Nuclear Weapon State that is increasing its arsenal a free pass. They claim discrimination and resent having agreed to give up the right to develop nuclear weapons while others are allowed to have and keep them. While many of these countries point to the supposed “deal” of the NWS eliminating nuclear weapons in exchange for the Non-Nuclear Weapon States (NNWS) forgoing them, they fail to acknowledge another aspect of the NPT where, by forgoing nuclear weapon programs, they are able to receive assistance to pursue peaceful nuclear programs under comprehensive safeguards. They also fail to acknowledge the significant security benefits that *they* derive from the nonproliferation provisions of the NPT.

This brings us to the peaceful use of nuclear energy. The first paragraph of Article IV of the NPT provides that “nothing in this Treaty shall be interpreted as affecting the inalienable right of all the Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with articles I and II of this Treaty.” In the second paragraph all Parties “undertake to facilitate, and have the right to participate in, the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy.” Through the first paragraph, all States Party to the NPT have accepted the condition that their nuclear activities must be carried out in conformity with Articles I and II of the Treaty. Claims by Iran that it is fully entitled under the NPT to receive nuclear cooperation in pursuing its allegedly peaceful nuclear program despite its failure to abide by Articles II or III are untenable. Clearly, confidence in the NPT, as well as states ability to engage in peaceful nuclear cooperation, will be eroded if countries can ignore and even flout their non-proliferation commitments under the Treaty.

The challenge before us is how to bring states such as Iran and North Korea into compliance with the NPT and how to avoid a situation whereby their actions beget a world with more proliferation. It should be clear that dealing with this challenge requires the firm collective action of NPT parties in dealing with violations and violators.

Mr. Chairman, a variety of unilateral, bilateral, and multilateral approaches to global security must be explored in addressing nuclear nonproliferation and disarmament.

The United States has taken many unilateral steps that serve to reduce reliance on nuclear weapons, and reduce the U.S. nuclear stockpile. Bilateral efforts between the United States and Russia have led, and continue to lead, to significant cuts in the two nations' nuclear arsenals and their respective stockpiles of fissile material for use in nuclear weapons.

I mentioned earlier many unilateral steps the U.S. has taken regarding its weapons stockpile. In addition the U.S. has unilaterally removed approximately 184 tons of highly enriched uranium and 52 tons of plutonium from nuclear weapons programs, and placed much of this material under IAEA safeguards. Approximately 90 tons of highly enriched uranium has been down-blended to low enriched uranium for use in civilian fuel.

The U.S. also works bilaterally on nuclear security issues where this is effective. The cooperative threat reduction programs that began in the early and mid-1990s have been instrumental in reducing proliferation of illicitly trafficked nuclear material. According to the International Atomic Energy Agency's (IAEA) recent report on illicit trafficking of nuclear material from 1993 to 2005, the frequency and quantity of illicitly trafficked nuclear material have dropped since the early 1990s. We believe this directly corresponds to the establishment of USG cooperative threat reduction programs such as those well known programs established by the Department of Defense, as well as the Department of Energy's Material Protection Control and Accounting and Second Line of Defense programs and demonstrates their success in stemming proliferation of nuclear material.

CTR programs have also been instrumental in redirecting nuclear weapons scientists to peaceful, sustainable employment.

Additionally, the Department of State utilizes two mechanisms that help to examine the effectiveness of USG cooperative threat reduction and USG nonproliferation assistance programs. The Nuclear Trafficking Response Group (NTRG) coordinates the USG response to reports of nuclear smuggling and the Nuclear Smuggling Outreach Initiative (NSOI) engages states at risk for nuclear smuggling to improve their anti-nuclear smuggling capabilities. These two processes allow us to review known

smuggling incidents and understand the efficacy of USG nonproliferation assistance.

In many cases, despite repeated highlighting of these accomplishments by the U.S. and Russia, the proponents of nuclear disarmament fail to give appropriate credit to those efforts.

On a multilateral basis we are seeking to strengthen nuclear non-proliferation by: full implementation of UNSCR 1540, universal adherence to the IAEA Additional Protocol, and the expansion of the Proliferation Security Initiative. The United States proposal for a Global Nuclear Energy Partnership (GNEP) to expand the use of nuclear energy as an environmentally friendly energy source, reduce waste, and discourage the spread of sensitive nuclear fuel cycle capabilities is another place where multilateralism can make a useful contribution. Increasing emphasis on non-proliferation and compliance in multilateral fora and arrangements can help engineer, over time, a much-needed paradigm shift in the global nuclear non-proliferation regime.

That said, if multilateral fora fail to impose consequences on those who violate their non-proliferation commitments under the NPT, such as North Korea and Iran, the capacity of such fora to deal with these larger and more complex issues will continue to be called into question. Similarly, the continued failure in the Conference on Disarmament in Geneva to break the linkages with unrelated issues in order to begin negotiation of a Fissile Material Cutoff Treaty (FMCT) is emblematic of this problem.

The United States sees no reason to pursue an expansion of its Negative Security Assurances (NSAs), and remains opposed to the negotiation of a binding global NSA treaty. The demand for NSAs from the P-5 originated during the Cold War, when NNWS were alarmed at the prospect of being "caught in the middle" of nuclear confrontation between the superpowers. There is no longer a "middle" along these lines. In the NPT context, today's divide is between those seeking to acquire nuclear weapons in violation of their NPT obligations and those determined to prevent that from happening. The best assurance against nuclear aggression today to directly address the nuclear threat that the DPRK and the Iranian regimes pose to regional and global security, and to deal with illegal proliferation networks such as that formerly run by A.Q. Khan.

Nonproliferation sanctions have weighed heavily on rogue regimes' pursuit of WMD programs. Nonproliferation sanctions, specifically the Iran and Libya Sanctions Act, affected Libya's past policies regarding WMD and support for international terrorism by raising the cost of continuing those policies. The political and economic costs played a role in prompting Colonel Gaddafi's 2003 determination that the pursuit of WMD ran counter to Libya's national security.

Because nonproliferation sanctions cast a spotlight on the activities of a particular state, they help induce other countries and non-state entities to take notice. One of the more noticeable effects of the U.S. Executive Order 13382 has been calling attention to the proliferation activities of particular North Korean and Iranian entities. Banks and other institutions have terminated their business relationships with their North Korean and Iranian counterparts, further impeding North Korea's and Iran's pace of technical advancement.

Recognizing that the proliferation of WMD and related materials, including nuclear weapons and materials, is clearly a threat to international peace and security, the UN Security Council unanimously adopted Resolution 1540 to address certain gaps in the non-proliferation regime. This Resolution requires states to enact and enforce effective legal and regulatory measures to prevent proliferation, with a particular focus on preventing WMD proliferation activities of non-state actors. .

At its core, Resolution 1540 is consistent with UN member states' good faith implementation of their other non-proliferation commitments because it requires states to take concrete steps to combat proliferation. The resolution requires member states to adopt and enforce effective measures to maintain appropriate physical protection and to establish controls against export, transshipment brokering and financing.

The United States has actively pushed for many additional tools to strengthen nuclear material and technology export controls, which will help to keep the material out of the hands of terrorists.

For example, the U.S. encourages all UN Member States to take steps to implement UNSCR 1695, including adopting additional national regulations where appropriate authorities are not in place. Unanimously adopted on July 15, 2006, the Resolution requires Member States to prevent

the transfer of missile and missile-related items, materials, goods, or technology to or from the DPRK's WMD or missile programs. It also requires states to prevent the transfer of financial resources in relation to North Korea's missile or WMD programs.

The Proliferation Security Initiative (PSI) is one of these new tools. First proposed by President Bush in Krakow, Poland on May 31, 2003, nearly 80 nations have now endorsed the statement of principles guiding this effort against the international outlaws that traffic in deadly materials. We are pleased that the PSI was supported by Secretary General Annan and the UN High Level Panel on Threats, Challenges and Change. We reaffirm our determination to strengthen this important new tool.

In his February 2004 speech at the National Defense University, the President proposed that the members of the Nuclear Suppliers Group (NSG) should refuse to sell uranium enrichment or plutonium reprocessing equipment or technology (ENR) to any state that does not already possess full-scale functioning enrichment or reprocessing plants. We introduced the President's February 2004 proposal for blocking the further spread of ENR technology in the NSG in March 2004, and since then the proposal has been extensively discussed in both the NSG and the G-8. Notwithstanding strong opposition in both the NSG and G-8, we have continued to press for agreement on the President's original proposal to ban the transfer of ENR equipment and technology to states that do not possess full-scale functioning plants. We oppose the indigenous development of new enrichment facilities in states not already possessing such facilities because we believe such projects would make it easier for other states to justify ENR programs.

In its July 2006 statement following the St. Petersburg Summit, the G-8 agreed that it would be prudent not to inaugurate any new ENR supply initiatives in the next year. We are prepared to consider as an interim measure a criteria-based approach to ENR transfers so long as the criteria proposed would clearly exclude Iran and other states seeking nuclear weapons from the receipt of ENR technology and equipment, and not provide a checklist that would permit such transfers to problem states. To date, however, we have not seen a criteria-based proposal that meets our requirements.

The President, in partnership with President Putin, also announced in July the Global Initiative to Combat Nuclear Terrorism, an effort to bring

together a growing network of nations that are determined to take effective steps to prevent, protect against, and respond to terrorists seeking to acquire and use nuclear weapons. We are placing a high priority on our efforts to accelerate the development of partnership capacity to combat the threat of nuclear terrorism by working with other departments and agencies and with partner nations to take practical steps to increase our cooperation, including by developing a robust set of multinational exercises and holding expert-level meetings to share best practices. Through these efforts we believe we can help to strengthen nuclear nonproliferation by leveraging and bolstering our existing capabilities.

The United States has continually pressed to strengthen IAEA safeguards since the signing of the NPT. The Additional Protocol, which provides for significant new methods of acquiring information about a states nuclear activities, and for enhanced access by IAEA inspectors, was successfully negotiated in 1997. Since then we have been pressing countries to adhere to the Additional Protocol; almost all non-nuclear weapons states with significant nuclear activities have now signed an additional protocol. In 2004, during our Presidency of the G8, we led an effort to press countries that had not yet done so to conclude safeguards agreements and Additional Protocols with the IAEA. This included a joint letter from G8 all Foreign Ministers. These efforts have continued under the British and Russian G8 Presidencies in 2005 and 2006. We also persuaded Foreign Ministers at the Asia Pacific Economic Cooperation (APEC) forum to adopt the goal of concluding an Additional Protocol by the end of 2005. It was particularly significant that Malaysia concluded an Additional Protocol in 2005.

The President proposed in his February 11, 2004 NDU speech that the NSG agree to require signature of an Additional Protocol (AP) as a condition of supply for transfers of nuclear trigger list items and related technologies by the end of 2005. When the United States tabled this proposal at the March 2004 meeting of the NSG Consultative Group (CG), there was broad support, but the majority of NSG members preferred a British/Austrian proposal requiring implementation of an AP as a condition of supply for nuclear trigger list transfers.

The NSG has continued to discuss the AP proposal; however, several members are not prepared to join a consensus. Two states, Brazil and Argentina, oppose making the AP a condition of supply, at least at this time. France and Russia propose a more limited approach of making the AP a

condition of supply only for transfer of "sensitive" technologies, including enrichment and reprocessing. G-8 leaders have called for support of the AP as an essential new standard in the field of nuclear supply arrangements and said that G-8 members should work to amend the NSG Guidelines accordingly. The NSG has agreed that the AP proposal should remain on the agenda until consensus is reached.

Last year, the IAEA Board of Governors adopted unanimously our proposal to establish a Committee on Safeguards and Verification (CSV) to strengthen the Agency's ability to ensure that countries comply with their nonproliferation obligations. This is a work in progress and the Committee is holding its fourth meeting today in Vienna.

In addition, the United States believes firmly that a ban on the future production of fissile material for use in nuclear weapons or other nuclear explosive devices would strengthen international peace and security and the nuclear non-proliferation regime, in part by placing limits on fissile material that could fall into terrorist hands. On May 18th of this year, the United States introduced a draft text for a Fissile Material Cutoff Treaty, or FMCT, at the Conference on Disarmament in Geneva. The United States urges the Conference on Disarmament to begin negotiations on an FMCT, and calls on every nation publicly to declare a national moratorium on the production of fissile material for use in nuclear weapons, as has been done by the United States, until a treaty is negotiated.

Mr. Chairman, to be successful, we must be able to adapt to changing circumstances and utilize a full range of nonproliferation tools, some of which I have cited today. We must have a global nonproliferation architecture that ranges from limiting access to dangerous materials and technology and securing them at their source, to enacting export and border controls, to impeding WMD-related shipments during transport, and to enforcing domestic regulatory and administrative practices to guard against illegal proliferation activity. At the core of this architecture is the NPT. Without a global consensus as embodied in the NPT, we and other like-minded countries could not marshal enough support to tackle the increasingly important and complex proliferation problems.

As President Bush said in March: "The United States remains firmly committed to its obligations under the NPT. Our record demonstrates this

commitment... The United States will continue to play a leading role in strengthening the nonproliferation regime.”

That concludes my statement Mr. Chairman. I would be glad to respond to your questions.

Thank you very much.